

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	Chapter 11
	§	
PERMICO MIDSTREAM PARTNERS	§	Case No. 20-32437 (MI)
HOLDINGS, LLC, <i>et al.</i> ,	§	
	§	(Jointly Administered)
Debtors. ¹	§	

NOTICE OF MILESTONE DEFAULT

PLEASE TAKE NOTICE that on May 4, 2020 (the “Petition Date”), each of the above-captioned debtors (collectively, the “Debtors”) filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”);

PLEASE TAKE FURTHER NOTICE that, by order of the Bankruptcy Court dated May 22, 2020, William R. Greendyke (the “Trustee”) was appointed as Chapter 11 Trustee for the Debtors;

PLEASE TAKE FURTHER NOTICE that, on May 24, 2021, the Trustee, HGC Midstream Inv, LLC, Permico Energia, LLC, Corpac Steel Products Corp., Edgen Murray Corporation, and Permico Founders, LLC (the “Parties”), agreed to a plan settlement term sheet providing for a consensual plan process for these chapter 11 cases (the “Plan Settlement Term Sheet”);²

PLEASE TAKE FURTHER NOTICE that, on June 25, 2021, the Parties filed their *Combined Disclosure Statement and Joint Chapter 11 Plan of Permico Midstream Partners Holdings, LLC, et. al.* [Dkt. No. 266] (the “Plan”), incorporating and implementing the terms of the Plan Settlement Term Sheet;

PLEASE TAKE FURTHER NOTICE that, on August 20, 2021, the Court entered its *Findings of Fact, Conclusions of Law, and Order Approving Combined Disclosure Statement on a Final Basis and Confirming Joint Chapter 11 Plan of Permico Midstream Partners Holdings, LLC et al.* [Dkt. No. 324] (the “Confirmation Order”);

¹ The Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers are as follows: Permico Midstream Partners Holdings, LLC (6374) and Permico Midstream Partners LLC (7902). The location of the Debtors’ corporate headquarters and service address is 9301 Southwest Freeway, Suite 308, Houston, TX 77074.

² All capitalized terms not defined herein shall have the meanings ascribed to them in the Plan Settlement Term Sheet or Plan, as applicable.

PLEASE TAKE FURTHER NOTICE that the Plan Settlement Term Sheet and corresponding Plan provided for certain milestone dates, including a September 22, 2021 effective date for the Toggle 1 Plan to occur (the “Effective Date Milestone”);

PLEASE TAKE FURTHER NOTICE that the Plan Settlement Term Sheet further provided that milestone dates, including the Effective Date Milestone, could be extended by agreement of the Parties;

PLEASE TAKE FURTHER NOTICE that on September 28, 2021, the Parties filed their *Joint Stipulation and Agreed Order Extending the Milestone Date for the Toggle 1 Plan Effective Date*, extending the Effective Date Milestone through and including October 29, 2021 [Dkt. No 334, and as entered, Dkt. No. 339] (the “Milestone Stipulation and Agreed Order”);

PLEASE TAKE FURTHER NOTICE that, by agreement of the Parties, the Effective Date Milestone was again extended on several occasions through and including January 17, 2022 (the “Extended Effective Date Milestone”);

PLEASE TAKE FURTHER NOTICE that the Plan Settlement Term Sheet and Plan provide that, in the event of a milestone default, the Trustee is required to file a *Notice of Milestone Default* with the Court within three (3) days of the occurrence of the alleged default;

PLEASE TAKE FURTHER NOTICE that, as of the date hereof, the Extended Effective Date Milestone has not yet occurred (the “Effective Date Milestone Default”); accordingly, the Trustee hereby files this *Notice of Milestone Default* as required by the Plan Settlement Term Sheet and Plan;

PLEASE TAKE FURTHER NOTICE that, pursuant to the Plan Settlement Term Sheet and Plan, any party is permitted to cure the alleged Extended Effective Date Milestone Default or file an emergency motion seeking additional relief from the Court within five (5) business days hereof.

[Remainder of Page Left Intentionally Blank]

Dated: January 18, 2022
Houston, Texas

Respectfully submitted,

NORTON ROSE FULBRIGHT US LLP

/s/ Jason L. Boland

Jason L. Boland (SBT 24040542)

Bob B. Bruner (SBT 24062637)

Julie Goodrich Harrison (SBT 24092434)

Maria Mokrzycka (SBT 24119994)

1301 McKinney Street, Suite 5100

Houston, Texas 77010

Telephone: (713) 651-5151

Facsimile: (713) 651-5246

Email: jason.boland@nortonrosefulbright.com

Email: bob.bruner@nortonrosefulbright.com

Email: julie.harrison@nortonrosefulbright.com

Email: maria.mokrzycka@nortonrosefulbright.com

*Counsel to William R. Greendyke,
Chapter 11 Trustee*